



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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**Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

William K. Huang
Acting Executive Director

September 2, 2008

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Commissioners:

**APPROVE A LEASE-TO-OWN CONTRACT
FOR SECURITY SYSTEMS SERVICES (Districts 1, 4) (3 Vote)**

SUBJECT

This letter requests approval of a 61-month lease-to-own Contract with Security Signal Devices, Inc. for security systems services in Community Development Commission administrative offices located in Monterey Park, Santa Fe Springs, and unincorporated East Los Angeles, as well as the Community Resource Center in South Whittier.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the approval of a lease-to-own Contract for security systems services is exempt from the California Environmental Quality Act (CEQA) because the action does not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Acting Executive Director of the Community Development Commission (Commission) to execute the attached 61-month lease-to-own Contract, which has been approved as to form by County Counsel, in the maximum aggregate amount of \$276,000 with Security Signal Devices, Inc. for the installation and/or servicing and monitoring of security systems at facilities located in Monterey Park, Santa Fe Springs, unincorporated East Los Angeles, and South Whittier, to be effective upon Board approval.
3. Authorize the Acting Executive Director to execute Contract amendments, following approval as to form by County Counsel, as necessary to incorporate specific sites, site-specific work requirements, compensation amounts, and other necessary terms and conditions.



4. Authorize the Acting Executive Director to use for unforeseen security systems needs during the term of the Contract, a maximum of \$69,000 which will be included in the Commission's approved budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to enter into a contract for the installation and/or monitoring and servicing of needed security systems at Commission offices located in Monterey Park, Santa Fe Springs, unincorporated East Los Angeles and South Whittier.

FISCAL IMPACT / FINANCING

The aggregate amount of the Contract will be \$276,000, plus an additional \$69,000 to cover unforeseen security system needs, for a total aggregate amount not to exceed \$345,000.

In the first year under the Contract, the Commission will use a maximum aggregate amount of \$99,436.50, including \$8,737.84 in County general funds allocated to the First and Fourth Supervisorial Districts for the Community Resource Center located in South Whittier, and \$90,698.66 from administrative services funds, which are included in the Commission's approved Fiscal Year 2008-2009 budget.

In years two through five of the Contract, the Commission will use a maximum annual aggregate amount of \$44,140.88, including \$4,087.89 in County general funds allocated to the First and Fourth Supervisorial Districts for the Community Resource Center and \$40,052.99 from administrative services funds, to be approved through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In prior years, the Commission has entered into lease agreements for various security systems at its administrative offices in Monterey Park and unincorporated East Los Angeles, as well as the Community Resource Center in South Whittier. These systems range in age from eight to fifteen years, and some of the systems are deteriorating. Additionally, the current contractor/lessor is no longer able to provide adequate or acceptable services under the terms and conditions of our lease contract. These systems, including intrusion alarm, building access, surveillance and fire/life safety, need to be replaced.

The existing security systems at the Santa Fe Springs administration office were recently leased and then purchased from another contractor. These systems are not in need of replacement, but the Commission does require monitoring and repair services for that facility's security systems. The Contract with Security Signal Devices, Inc. will

provide for replacement of the old security systems at the other three locations, as well as monitoring and servicing of all security systems at all four locations.

It was determined to be in the best interest of the Commission to enter into a five-year lease-to-own arrangement with a contractor that could provide comprehensive security systems services to meet the immediate and potential future needs of the Commission. Security Signal Devices, Inc. met the Commission's requirements and submitted the lowest, most responsive and responsible bid for these services.

The 60-month payment schedule for lease and monitoring of security systems will begin the month following the acquisition and installation of all systems. Therefore the term of the contract, from start date through final payment and provision of services, will be five years and one month.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), because it involves activities that will not have a physical impact on or result in any physical changes to the environment. These activities are also exempt from the provisions of CEQA pursuant to State CEQA Guidelines 15301, because they do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

On June 30, 2008 an Invitation for Bid (IFB) process was initiated to solicit contractors to provide security system services for the Commission and the Housing Authority. A Housing Authority Board Letter will be filed in the near future. Notices were mailed to 170 vendors identified on the Commission's Vendor List. Notices appeared in 11 local newspapers and on the County's WebVen website. The complete solicitation package was posted on the Commission's website, and 43 contractors downloaded the information. On July 10th, nine contractors attended the Pre-Bid Meeting, and four contractors participated in the two mandatory Job Walks held on July 10th and 14th.

On August 11, 2008, two sealed bids were opened. The Summary of Outreach Activities is provided in Attachment A.

IMPACT ON CURRENT SERVICES

The recommended Contract will provide needed security systems services for the benefit of staff and clients at Commission facilities.

Honorable Board of Commissioners
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Respectfully submitted,


for WILLIAM K. HUANG
Acting Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Contract for Security Systems Services

On June 30, 2008, the following outreach was initiated to identify a contractor to provide security systems services at multiple locations within Los Angeles County.

A. Newspaper Advertising

Announcements appeared in the following local newspapers:

| | |
|---------------------------|-------------------------|
| La Opinion | Daily News |
| International Daily News | L.A. Sentinel |
| Eastern Group Publication | Los Angeles Times |
| Long Beach Press Telegram | Los Angeles Independent |
| Montebello News | Eastside Sun |
| Southwest Wave | |

B. Distribution of Bid Packages

A solicitation notice was mailed to 170 contractors from the Commission/Housing Authority's Vendor List of which 59 identified themselves as minority or women-owned businesses. The solicitation notice was also posted on the County's WebVen. The entire solicitation package was posted on the Commission/housing Authority's website. Forty-three contractors downloaded the solicitation package.

C. Pre-Bid Meeting and Job Walks

A total of 9 contractors attended the Pre-Bid Meeting on July 10, 2008. Four contractors attended the two Job Walks held on July 10th and July 14th.

D. Bid Results

On August 11, 2008, a total of 2 bids were received and publicly opened. The responsive bid results were as follows:

Company

| | |
|---|--------------------|
| Security Signal Devices (SSD) | |
| Base Bid | \$174,689.17 |
| Add Alternate Bid | \$ 73,407.79 |
| Repair Service Estimate (@ \$139.00/hr) | \$ 20,703.04 |
| Monitoring for existing systems | <u>\$ 7,200.00</u> |
| TOTAL: | \$276,000.00 |

| | | |
|---------------------------------------|--------|--------------|
| Automated Switching & Controls (ASCI) | | |
| Base Bid | | \$245,322.00 |
| Add Alternate Bid | | \$ 72,642.00 |
| Repair Service Estimate (@\$90.00/hr) | | \$ 13,500.00 |
| Monitoring for existing systems | | \$ 6,000.00 |
| | TOTAL: | \$337,464.00 |

E. Minority/Female Participation – Selected Contractor

| <u>Name</u> | <u>Ownership</u> | <u>Employees</u> |
|-------------|------------------|-------------------|
| SSD | Non-Minority | Total: 296 |
| | | 92 (31%) Minority |
| | | 88 (30%) Women |

F. Minority/Female Participation – Contractors Not Selected

| <u>Name</u> | <u>Ownership</u> | <u>Employees</u> |
|-------------|------------------|-------------------|
| ASCI | Minority | Total: 13 |
| | | 12 (92%) Minority |
| | | 3 (23%) Women |

The Commission/Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Commission/Housing Authority.

The recommended award of the contract is being made in accordance with the Commission/Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

SECURITY SYSTEMS SERVICES CONTRACT

This Contract is made and entered into this _____ day of _____, _____, by and between the Community Development Commission of the County of Los Angeles, hereinafter referred to as "Commission," and Security Signal Devices, Inc., hereinafter referred to as "Contractor."

RECITAL

1. PURPOSE

The Contractor is in the business of providing needed security systems services. On August 11, 2008 in response to the Commission's Invitation for Bids, Contractor submitted a bid to furnish the hereinafter-described security systems services to the Commission.

TERMS AND CONDITIONS

2. TERM

This Contract shall commence *(as of the day and year first above written) or (on _____, _____)* and shall remain in full force and effect until _____, _____ unless sooner terminated as provided herein.

3. CONTRACTOR'S RESPONSIBILITIES

The Contractor agrees to perform in a good workmanlike manner, to the satisfaction of the Commission's Executive Director, all the work described in the attached Statement of Work, Attachment A.

4. COMPENSATION

The Contractor shall submit to the Commission each month an invoice on a form approved by the Commission for services rendered, as described in Attachment A, Statement of Work, and in accordance with Attachment B, Fee Schedule. Upon receipt and approval, the Commission will pay the Contractor within thirty (30) days of receipt and approval of the invoice. The total amount of compensation under this Contract will not exceed _____ Dollars (\$_____), which shall include all related expenses.

The Contractor shall be paid in accordance with the Commission's standard accounts payable system.

The Contractor shall have no claim against the Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the

Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment, it shall immediately notify the Commission and shall immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration or termination of this Contract shall not constitute a waiver of the Commission's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

5. SOURCE AND APPROPRIATION OF FUNDS

The Commission obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development (HUD) and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.

In the event this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Commission will endeavor to notify the Contractor in writing within ten (10) days of receipt of non-appropriation notice.

6. TERMINATION FOR IMPROPER CONSIDERATION

The Commission may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract, if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County office, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to the Commission's Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

7. ASSIGNMENT BY CONTRACTOR

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally

approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8. CONFIDENTIALITY OF REPORTS

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission.

9. SUBCONTRACTING

The Contractor may subcontract only those specific portions of work allowed in the original specifications covered by this Contract with prior written approval by the Commission.

The Contractor shall not subcontract any part of the work covered by this Contract or permit subcontracted work to be further subcontracted without prior written approval by the Commission.

10. INSURANCE

The Contractor shall procure and maintain at Contractor's expense for the duration of this Contract the following insurance against claims for injuries to persons or damage

to property, which may arise from or in connection with the performance of the work by the Contractor, its agents, representatives, employees or subcontractors.

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

| | |
|---|-------------|
| General Aggregate | \$2,000,000 |
| Products/Completed Operations Aggregate | \$1,000,000 |
| Personal and Advertising Injury | \$1,000,000 |
| Each Occurrence | \$1,000,000 |

The Community Development Commission of the County of Los Angeles, the Housing Authority of the County of Los Angeles, the County of Los Angeles, and their officials and employees, shall be covered as insureds with respect to: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor.

- B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each incident. Such insurance shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".
- C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

| | |
|-----------------------|-------------|
| Each Accident | \$1,000,000 |
| Disease-policy limit | \$1,000,000 |
| Disease-each employee | \$1,000,000 |

- D. PROFESSIONAL LIABILITY INSURANCE, If applicable, (errors and omissions) in an amount not less than One Million Dollars (\$1,000,000) aggregate per claim.

The purpose of this insurance is to cover all claims for professional services being provided to the Housing Authority for the County of Los Angeles and the Community Development Commission for the County of Los Angeles, which includes but is not limited to architectural, engineering, surveying, real estate and medical services. If this agreement is not subject to professional liability insurance it is the responsibility of the party contracting with the Housing Authority for the County of Los Angeles or the Community Development Commission for the County of Los Angeles to obtain separate written approval to eliminate this requirement. Further, the Housing Authority for the County of Los Angeles, the Community

Development Commission for the County of Los Angeles, the County, their officials, agents, and employees shall be covered as additional insureds.

Any self-insurance program and self-insured retention must be separately approved by the Commission.

Each insurance policy shall be endorsed to state that coverage shall not be canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the Commission.

Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California or carriers with a rating of or equivalent to A: VIII by A.M. Best & Company. Any deviation from this rule shall require specific approval in writing by the Commission.

All coverage for subcontractors shall be subject to the requirements stated herein and shall be maintained at no expense to the Commission.

The Contractor shall furnish the Commission with certificates of insurance and with original endorsements affecting coverage as required above. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Commission may immediately terminate this Contract.

11. INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles (Housing Authority), County of Los Angeles (County), and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

12. COMMISSION'S QUALITY ASSURANCE PLAN

The Commission will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies, which the Commission determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and Contractor. If improvement does not occur consistent

with the corrective measure, the Commission may terminate this Contract, pursuant to Paragraph 13 or 14, or impose other remedies as specified in this Contract.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

13. TERMINATION FOR CONVENIENCE

The Commission reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event that the Public Agencies terminate for convenience, the Public Agencies reserve the right to purchase any or all of the systems by paying the remaining balance of lease payments, minus interest, with no penalty whatsoever, and assume ownership of the systems installed by the Contractor under the 5-year lease-to-own arrangement stated in this Contract.

14. TERMINATION FOR CAUSE

This Contract may be terminated by the Commission upon written notice to the Contractor for just cause (failure to perform satisfactorily) with no penalties incurred by the Commission upon termination or upon the occurrence of any of the following events in A, B, C or D:

- A. Should the Contractor fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of this Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor, and should the Contractor neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the Commission within the time specified in such notice, the Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- B. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under this Contract is abandoned for more than three days by the Contractor, then notice of deficiency thereof in writing will be served upon Contractor by the Commission. Should the Contractor fail to comply with the terms of this Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of Public Agencies shall have the power to suspend or terminate the operations of the Contractor in whole or in part.

- C. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
- D. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, Contracts, or stipulations of this Contract, the Commission shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Commission become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

In the event that the Commission terminates for cause, the Commission reserves the right to purchase any or all of the systems by paying the Contractor the remaining lease balances, minus interest, with no penalty whatsoever, on the schedule indicated below, and when paid in full according to the following schedule, the Commission will assume ownership of the systems installed by the Contractor under the 5-year lease-to-own arrangement stated in this Contract.

| Public Agencies terminate for cause in: | Public Agencies pay portion of remaining balance of lease principle |
|---|---|
| Year 1 | 50% |
| Year 2 | 40% |
| Year 3 | 30% |
| Year 4 | 20% |
| Year 5 | 10% |

15. CONTRACTOR'S WARRANTY OF ADHERENCE TO PUBLIC AGENCIES' CHILD SUPPORT COMPLIANCE PROGRAM

The Contractor acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Commisison's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a)

and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

16. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH PUBLIC AGENCIES' CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 16, "*CONTRACTOR'S WARRANTY OF ADHERENCE TO Public Agencies' CHILD SUPPORT COMPLIANCE PROGRAM*" shall constitute default under this contract. Without limiting the rights and remedies available to Commission under any other provision of this contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which Public Agencies may terminate this contract pursuant to Paragraph 14 - "TERMINATION FOR CAUSE" and pursue debarment of Contractor, pursuant to Public Agencies Policy.

17. POST MOST WANTED DELINQUENT PARENTS LIST

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is County's and Commission's policy to strongly encourage all Contractors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. The Child Support Services Department (CSSD) will supply Contractor with the poster to be used.

18. INDEPENDENT CONTRACTOR

This Contract does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Contractor.

19. EMPLOYEES OF CONTRACTOR

Workers' Compensation: The Contractor understands and agrees that all persons furnishing services to the Commission pursuant to this Contract are, for the purposes of Workers' Compensation liability, employees solely of the Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Commission under this Contract.

Professional Conduct: The Commission do not and will not condone any acts, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of

activities or behavior that might be construed as harassment. The Commission will properly investigate all charges of harassment by residents, employees or agents of the Commission against any and all Contractor's employees, agents or subcontractors providing services for the Commission. The Contractor assumes all liability for the actions of the Contractor's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

20. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

21. SAFETY STANDARDS AND ACCIDENT PREVENTION

The Contractor shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Contract.

22. COMPLIANCE WITH LAWS

The Contractor agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

The Contractor shall comply with the following laws in Sections 23-32, inclusive, and 41-43, inclusive.

23. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)

The Contractor shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from

participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

24. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Contractor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

25. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

The Contractor shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

26. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS)

The Contractor shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Contractor's commitments under Section 202 of

Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Public Agencies and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Contractor's noncompliance with the non-discrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Public Agencies may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

27. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AS AMENDED

- A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other

understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

28. FEDERAL LOBBYIST REQUIREMENTS

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Contract, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

29. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

30. USE OF RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the Project.

31. CONTRACTOR RESPONSIBILITY AND DEBARMENT

- A. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission and the County to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Public Agencies may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Commission contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Commission.
- C. The Commission may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2)

committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission or County or any other public entity, or a nonprofit corporation created by the Public Agencies or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, the County, or any other public entity.

- D. If there is evidence that the Contractor may be subject to debarment, the Commission will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Commission shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Public Agencies.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the

Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Public Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

- I. These terms shall also apply to subcontractors and subconsultants of County, or Commission contractors, consultants, vendors and operating agencies.

32. COMPLIANCE WITH JURY SERVICE PROGRAM

- A. Unless the Contractor has demonstrated to the Commission's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
- B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

- C. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
- D. The Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

33. ACCESS AND RETENTION OF RECORDS

The Contractor shall provide access to the Commission, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

The Contractor is required to retain the aforementioned records for a period of five years after the Commission pays final payment and other pending matters are closed under this Contract.

34. CONFLICT OF INTEREST

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Commission. Upon execution of this Contract and during its term, as appropriate, the Contractor shall, disclose in writing to the Commission any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interests of the third parties.

35. SEVERABILITY

In the event that any provision herein is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

36. INTERPRETATION

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if drafted by both parties hereto.

37. WAIVER

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

38. PATENT RIGHTS

The Commission will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Contract.

39. COPYRIGHT

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All such documents become the property of the Commission and the Commission holds all the rights to said data.

40. NOTICES

The Commission shall provide the Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that Commission has actual knowledge of such injury or damage. Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

The Public Agencies: Ben Martinez
2 Coral Circle, Monterey Park, CA 91755
The Contractor: Stephanie Neu

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Contractor and the Public Agencies may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

41. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Attachment D – Required Contract Notices* of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

42. CONTRACTOR'S ACKNOWLEDGMENT OF PUBLIC AGENCIES' COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Commission's policy to encourage all Commission Contractors to voluntarily post the Commission's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Contractor with the poster to be used.

43. CONTRACTOR'S CHARITABLE CONTRIBUTIONS COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in *Attachment C – Required Contract Forms*, the Public Agencies seeks to ensure that all Public Agencies contractors that receive or raise charitable contributions comply with California law in order to protect the Commission and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

44. ENTIRE CONTRACT

This Contract with Attachments A through D constitutes the entire understanding and Contract of the parties. This Contract includes the following attachments:

- A. Statement of Work
- B. Fee Schedule
- C. Required Contract Forms
- D. Required Contract Notices

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SIGNATURES

IN WITNESS WHEREOF, the Public Agencies and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written.

By _____
(*Name of Authorized Representative*)
(*Title of Representative*)

COMMUNITY DEVELOPMENT PUBLIC
AGENCIES
OF THE COUNTY OF LOS ANGELES

By _____
Carlos Jackson
Executive Director

APPROVED AS TO PROGRAM:

(*Division Name*) DIVISION

By _____
Name of Director Director

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By _____
Deputy

(*Name of Contractor*)

ATTACHMENT A

STATEMENT OF WORK

STATEMENT OF WORK

(Insert language)

ATTACHMENT B

FEE SCHEDULE

FEE SCHEDULE

(Insert language/cost information)

ATTACHMENT C

**REQUIRED CONTRACT
FORMS**

(Insert all applicable required forms)

ATTACHMENT D

REQUIRED CONTRACT NOTICES

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Public Agencies and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Public Agencies of such organizations.



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2004)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

What's New. Workers cannot claim the EIC if their 2004 investment income (such as interest and dividends) is over \$2,650.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2004 are less than \$35,458 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at www.irs.gov.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2004 and owes no tax but is eligible for a credit of \$791, he or she must file a 2004 tax return to get the \$791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2005 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015
(Rev. 12-2004)

No shame. No blame. No names.

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**



**In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org**



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors

Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

**Los recién nacidos pueden ser entregados
en forma segura en la sala de emergencia de
cualquier hospital o en un cuartel de bomberos
del Condado de Los Angeles.**



En el Condado de Los Angeles:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

**Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.**

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.